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September 15, 2020

Tennessee Public Utility Commission
502 Deaderick Street, 4th Floor
Nashville, TN 37243**20-00047**

Chairman Kenneth C. Hill,

Pursuant to the Commission's order pertaining to Docket 20-00047 during the August 10, 2020 monthly conference, I am providing a monthly update regarding Chattanooga Gas's (CGC) response to the novel coronavirus (COVID-19). This updated letter is intended to give TPUC an overview of our plans to support necessary public safety actions while meeting our ongoing obligation to serve our customers and communities. It includes customer information related to past due bills, payment arrangements, and shutoffs for nonpayment.

Operational and Business Changes

Chattanooga Gas continues to operate under revised ongoing work procedures to address social distancing recommendations from the Centers for Disease Control and Prevention (CDC). We continue to be prepared, through our business continuity planning, to prioritize essential and emergency services as COVID-19 impacts our workforce and the communities we serve. Additionally, our call center is supporting customers and field employees with the implementation of a screening procedure to help identify customers' health status before assigning work. We are utilizing Keep Me Informed (KMI) to check-in with customers ahead of service calls to make sure we are prepared to help them as best we can, regardless of their health status.

In recognition that the evolving landscape surrounding COVID-19 may cause financial hardship for customers impacted by employment changes or business slowdown, Chattanooga Gas suspended service disconnections (shut-offs) for nonpayment (SONPs) for both residential and commercial customers beginning 3/12/20. Pursuant to TPUC's 8/10/20 order, CGC then ended its suspension of SONPs on 8/29/20, with a 30-day notice & grace period. Chattanooga Gas plans to begin a phased process of making formal notifications to disconnect customers for nonpayment on or after 9/28/20. These disconnects will be scheduled according to their billing cycle and prioritized for length of time past due and the amount of past due bill, in accordance with Chattanooga Gas's tariff.

The following tables present customer account data that are required by the Commission's 8/10/20 order to "include for the reporting period the aggregate number of customers disconnected for nonpayment of service by customer class; the aggregate number of customers who have entered a payment arrangement by customer class; the aggregate number and amount of delinquent customer accounts by customer class; and the aggregate number and amount of customer accounts written off to bad debt expense, or allowance for bad debt, by customer class." No customers have been disconnected for nonpayment since 3/12/20 since the grace period extends until 9/28/20.

Residential Customer Accounts:

Table 1

Number of Residential Customers with Past Due Balances (A)						
Month	1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91-120 Days Past Due	Over 120 Days Past Due	Total Past Due Customer Count
Jan-20	2,863	930	314	232	556	4,895
Feb-20	3,019	976	340	180	517	5,032
Mar-20	3,162	1,225	503	282	548	5,720
Apr-20	2,845	1,351	774	461	713	6,144
May-20	2,284	1,262	800	642	953	5,941
Jun-20	2,242	1,044	855	678	1,423	6,242
Jul-20	2,114	987	513	674	1,870	6,158
Aug-20	1,958	824	555	354	2,164	5,855

Table 2

Residential Past Due Balances					
1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91-120 Days Past Due	Over 120 Days Past Due	Total Past Due Amount
\$ 257,393	\$ 60,747	\$ 14,410	\$ 11,126	\$ 20,692	\$ 364,368
\$ 281,073	\$ 81,146	\$ 19,944	\$ 9,048	\$ 20,739	\$ 411,950
\$ 351,332	\$ 126,935	\$ 47,759	\$ 16,407	\$ 22,774	\$ 565,207
\$ 350,647	\$ 191,020	\$ 90,335	\$ 38,624	\$ 30,412	\$ 701,038
\$ 231,781	\$ 209,585	\$ 126,815	\$ 74,042	\$ 55,156	\$ 697,379
\$ 189,101	\$ 158,580	\$ 164,529	\$ 110,708	\$ 110,924	\$ 733,842
\$ 164,577	\$ 130,107	\$ 104,138	\$ 142,595	\$ 200,633	\$ 742,050
\$ 134,194	\$ 108,297	\$ 100,255	\$ 82,472	\$ 291,221	\$ 716,439

(A) Counts for January - June are adjusted from what was previously reported to remove customers counted more than once.

(B) Weighted Average Past Due days are from the date the bill was due. Numbers previously reported for January - June were Average Days from Bill Date.

Table 3

Residential Average		Residential Late Pay Breakout		
Average Past Due Amount	Weighted Average Days Past Due (B)	Past Due Amount excluding Late Pay Charges	Past Due Late Pay Charges	Total Past Due Amount
\$ 74	37.07	\$ 339,225	\$ 25,143	\$ 364,368
\$ 82	36.22	\$ 382,774	\$ 29,176	\$ 411,950
\$ 99	37.86	\$ 526,117	\$ 39,090	\$ 565,207
\$ 114	44.53	\$ 645,485	\$ 55,553	\$ 701,038
\$ 117	59.30	\$ 626,415	\$ 70,964	\$ 697,379
\$ 118	75.87	\$ 642,957	\$ 90,885	\$ 733,842
\$ 121	93.78	\$ 629,036	\$ 113,014	\$ 742,050
\$ 122	110.63	\$ 587,600	\$ 128,839	\$ 716,439

Non-Residential Customer Accounts:

Table 4

Month	Number of Non-Residential Customers with Past Due Balances (A)					Total Past Due Customer Count
	1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91-120 Days Past Due	Over 120 Days Past Due	
Jan-20	350	77	21	20	33	501
Feb-20	319	72	26	5	42	464
Mar-20	337	126	39	13	35	550
Apr-20	543	168	96	34	38	879
May-20	305	189	91	77	54	716
Jun-20	227	113	121	75	108	644
Jul-20	295	89	55	81	166	686
Aug-20	201	82	54	42	215	594

(A) Counts for January - June are adjusted from what was previously reported to remove customers counted more than once.

(B) Weighted Average Past Due days are from the date the bill was due. Numbers previously reported for January - June were Average Days from Bill Date.

Table 5

Non-Residential Past Due Balances					
1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91-120 Days Past Due	Over 120 Days Past Due	Total Past Due Amount
\$ 114,695	\$ 15,211	\$ 9,769	\$ 2,410	\$ 3,404	\$ 145,489
\$ 83,369	\$ 13,288	\$ 3,079	\$ 2,954	\$ 3,966	\$ 106,656
\$ 90,179	\$ 25,684	\$ 4,924	\$ 1,942	\$ 3,801	\$ 126,530
\$ 236,371	\$ 49,700	\$ 20,471	\$ 4,355	\$ 5,155	\$ 316,052
\$ 111,121	\$ 80,514	\$ 27,696	\$ 12,777	\$ 7,273	\$ 239,381
\$ 73,995	\$ 55,192	\$ 61,949	\$ 24,892	\$ 17,714	\$ 233,742
\$ 99,591	\$ 34,053	\$ 30,679	\$ 40,155	\$ 42,333	\$ 246,811
\$ 69,452	\$ 44,532	\$ 28,319	\$ 24,672	\$ 72,638	\$ 239,613

Table 6

Non-Residential Average		Non-Residential Late Pay Breakout		
Average Past Due Amount	Weighted Average Days Past Due (B)	Past Due Amount excluding Late Pay Charges	Past Due Late Pay Charges	Total Past Due Amount
\$ 290	28.59	\$ 140,431	\$ 5,058	\$ 145,489
\$ 230	31.01	\$ 100,659	\$ 5,997	\$ 106,656
\$ 230	31.67	\$ 119,845	\$ 6,685	\$ 126,530
\$ 360	28.19	\$ 302,086	\$ 13,966	\$ 316,052
\$ 334	42.88	\$ 221,923	\$ 17,458	\$ 239,381
\$ 363	61.93	\$ 210,720	\$ 23,022	\$ 233,742
\$ 360	71.73	\$ 216,350	\$ 30,461	\$ 246,811
\$ 403	90.07	\$ 205,658	\$ 33,955	\$ 239,613

(A) Counts for January - June are adjusted from what was previously reported to remove customers counted more than once.

(B) Weighted Average Past Due days are from the date the bill was due. Numbers previously reported for January - June were Average Days from Bill Date.

All Customer Account Types:

Table 7

Amounts Charged to Bad Debt			
January - August 2020			
Month	Residential	Non-Residential	Total Amount Charged to Bad Debt
Jan-20	\$ (145)	\$ 1,843	\$ 1,698
Feb-20	\$ (307)	\$ 2,036	\$ 1,729
Mar-20	\$ 2,706	\$ 1,960	\$ 4,666
Apr-20	\$ 5,865	\$ 498	\$ 6,363
May-20	\$ 3,600	\$ 1,259	\$ 4,859
Jun-20	\$ 7,154	\$ 2,015	\$ 9,169
Jul-20	\$ 1,923	\$ 8	\$ 1,931
Aug-20	\$ 2,394	\$ 4,322	\$ 6,716
Total	\$ 23,190	\$ 13,941	\$ 37,131

Notices/Communications

While CGC will soon restart SONPs, it is the hope of CGC that any customer who is subject to being disconnected for non-payment should enroll in the Alternative Payment Plan (APP) prior to their shutoff, and therefore avoid service interruption and additional fees. To that end, and pursuant to the Commission's order, CGC issued a press release on 8/25/20 informing all area media outlets of the upcoming end of the disconnect moratorium for CGC customers and the details of CGC's APP and how to sign up for it. Local media have run several stories highlighting this information and CGC has responded to a number of media requests. On 8/28/20 CGC mailed written notices, as well as duplicate email notices, to all approximately 68,000 CGC customers informing them that CGC will resume procedures for disconnection of service due to nonpayment on 9/28/20 and encouraging customers to sign up for the APP. Copies of these written notices are included as Attachments to this letter. Also, CGC updated its website to inform customers of the details of the APP and included links to sign up for the plan.

In the coming weeks, CGC plans to mail follow-up letters to all customers with significant past due balances reminding them that they may be subject to service disconnection beginning on 9/28/20. All these measures of advance notice are supplemental to the regular disconnect notices that will be mailed to customers prior to shutoff in accordance to CGC's tariff.

Additionally, CGC continues to communicate with state and local government and chambers of commerce on our activities, and to coordinate with other utilities and industry associations in the state to ensure greater consistency in our ongoing response.

Alternative Payment Plan

As mentioned previously in this letter and included in all referenced notices, CGC specifically created a generous Alternative Payment Plan (APP) in response to the extraordinary economic hardships customers may be experiencing as a result of this pandemic. The APP is available for enrollment until December 31, 2020 for all customers who request it and it includes any charges incurred during the eligibility period from 3/12/20 until 12/31/20. The plan automatically eliminates any down payment requirements, waives any late fees incurred during the eligibility period or while on the plan, and provides a repayment duration of 12 months to catch up on their past due bill. Any customers who may have entered into a deferred payment arrangement with CGC after 3/12/20, but did not sign up for the specific APP, may renegotiate with CGC to enter into the APP by 12/31/20. Any customer who defaults on the APP (and does not make arrangements otherwise with CGC) will be subject to CGC's normal policies and procedures for past due balances and shutoffs for non-payment.

Customers who have signed up for the APP from July 12, 2020 – August 31, 2020: 241

Customers are also being informed through our website, email, press releases, and other outlets that other energy assistance options are available to support those impacted by the COVID-19 emergency.

Recovery

While it is still very early in the process, and we are working hard to get all customers with past due balances to catch up on their bill and to sign up on the APP, at the appropriate time in an appropriate proceeding we will address the recovery of any expenses and lost revenues that have resulted from this pandemic.

Chattanooga Gas welcomes the opportunity to work with you and your staff so that citizens and customers are protected and can continue to receive safe and reliable natural gas service. Thank you for your ongoing efforts.

Sincerely,



Paul Teague
Director, External Affairs
Chattanooga Gas Company

Attachments

Press Release:

Chattanooga Gas offers energy assistance resources for customers struggling during the ongoing pandemic

Customers are encouraged to inquire about available payment programs to prevent service disconnections beginning Sept. 28

Chattanooga, Tenn. – Aug. 25, 2020 – Customers facing financial hardships as a result of COVID-19 have payment programs available to help manage their natural gas bills. Chattanooga Gas is supporting customers with new measures such as an alternative payment program and waived late fees as options to help keep their bills manageable during this challenging time.

“We hope these additional actions help ensure those who are affected by COVID-19 do not face the added hardship of interruption of services during this time when safe and reliable energy is even more critical to our everyday wellbeing,” said Pedro Cherry, president and CEO of Chattanooga Gas. “We continue to stay closely connected to our communities to make sure we are providing all the support we can to move beyond this crisis and provide energy assistance in the most effective ways.”

While the Tennessee Public Utility Commission’s moratorium on utility disconnections for nonpayment ends Aug. 29, the commission has approved a 30-day extension to notify customers of payment programs available to prevent service disconnections once the practice resumes Sept. 28.

Chattanooga Gas encourages customers who need assistance with their bills to inquire about the following programs:

Alternative Payment Program. Customers not current on their bills as of Aug. 29 may elect to participate in the Company’s Alternative Payment Program, which will include extended payment plan durations that lower monthly payments by spreading out costs over time.

Waived Late Fees. For customers choosing to participate in the Alternative Payment Program, Chattanooga Gas will voluntarily waive its late payment fees incurred during the period of the state’s service disconnections suspension, plus the time period the customer has selected to catch up in payments. Adjustments for waived late fees will be made on a subsequent bill. Customers participating in the program and making timely payments will not have their service terminated or put on notice for termination.

For more information or to enroll, go to chattanoogagas.com/myaccount and log in or register using the Guest Payment Arrangements button. Select Payment Options, then Payment Arrangements. Or call us at 866-643-4168 and select option “2,” then “2” again. (Y hablamos español.).

Notice Letter:



PO BOX 4569
Atlanta, GA 30302-4569

August 28, 2020

Dear Valued Customer:

After months of suspending utility service disconnections to reduce the economic burden on customers during the Tennessee pandemic state of emergency, the Tennessee Public Utility Commission has decided (Docket 20-00047: COVID-19) to end the moratorium on August 29, 2020. **All utilities regulated by the Tennessee Public Utility Commission, including Chattanooga Gas, will continue to honor the suspension through a 30-day grace period beginning Aug. 28, and will resume procedures for disconnection due to bill nonpayment beginning Sept. 28, 2020.**

Chattanooga Gas remains committed to your safety and wellbeing, and we will work with those who may be struggling to pay their bill. To help you prepare for the state's step toward returning an environment of normalcy, we are offering measures to help you catch up on bill payments you may have missed during the continuing pandemic.

All customers not current on their bills as of Aug. 28 may elect to participate in our Alternative Payment Program. The program will help you pay your past due account balances in 12 monthly installments, with no down payment. **Note:** If you already have an active payment arrangement, you may renegotiate the terms of this arrangement to request 12 monthly installments with no down payment.

Customers enrolled in the Alternative Payment Program and making timely payments will not have their service terminated or put on notice for termination. Chattanooga Gas also will waive late payment fees incurred during the period of the state's service disconnection suspension plus the period the customer has selected to catch up in payments. Adjustments for waived late fees will be made on a subsequent bill. For more information or to enroll, go to chattanoogagas.com/myaccount and log in or register using the Guest Payment Arrangements button. Select Payment Options, then Payment Arrangements. Or call us at 866-643-4168 and select option "2," then "2" again. (Y hablamos español.)

For additional payment and energy assistance information, visit chattanoogagas.com/energyassistance.

We value our relationship with every customer and look forward to continuing to serve you.

Sincerely,

Chattanooga Gas

CGC Website Screenshots:

9/14/2020

Energy Assistance Programs | Chattanooga Natural Gas



[Home](#) / [Residential](#) / [Billing And Payment Options](#) / [Energy Assistance Programs](#)

Energy Assistance Programs for Residential Customers

You deserve peace of mind when it comes to paying your bill. That's why, if you're not able to pay your bill, we're connecting you to available energy assistance funding through the below programs or agencies so you don't face this challenge alone, but with our help.

New! Chattanooga Gas Alternative Payment Program

Customers facing financial hardship due to COVID-19 who have past due balances are eligible to set up a payment arrangement in 12 monthly installments, with no down payment through [My Account](#) as a guest or registered user. Also, as part of this program, we're waiving late payment fees that may have been assessed during the state of emergency and during the period of a payment arrangement.

*Note: Customers with an active payment arrangement can renegotiate the terms of their arrangement to request 12 monthly installments with no down payment by calling **866.643.4168** to speak with an agent.*